



STATE OF CALIFORNIA  
FRANCHISE TAX BOARD  
PO BOX 942840  
SACRAMENTO CA 94240-5340

We are examining your **HEAD OF HOUSEHOLD FILING STATUS** for tax year 1997. The Head of Household (HOH) filing status is one of the most misunderstood filing statuses. Each year 60,000 California taxpayers who claim the status do not qualify.

Please complete the enclosed Head of Household Audit letter (page 2). Provide the information requested in boxes A and B. If someone other than the person listed in box B also lived with you, provide the information requested in box C. If you need more space to give us the information for any question on the Audit Letter, please provide the information on a separate sheet of paper and attach it to the Audit Letter.

Information to help you complete the Audit Letter is on side 2 of this page. For answers to common questions regarding the Head of Household Audit Letter, see page 3.

Return the completed, signed and dated Head of Household Audit Letter (page 2) in the enclosed envelope **within 20 calendar days from the date of this letter**. It is not necessary for you to return the other pages of this letter. If you do not return the completed Audit Letter within 20 calendar days from the date of this letter, we will deny your Head of Household Filing Status, assess additional tax, and impose a penalty of 25 percent of any additional tax assessed.

It may be helpful to you to keep a copy of your completed audit letter for your records.

On the Audit Letter, please provide a telephone number where we can reach you Monday through Friday, between 8 a.m. and 5 p.m., if we need more information.

If you move or you change your name during the year, please notify the Franchise Tax Board at the address shown at the top of this page.

**Para recibir los requisitos de cabeza de familia e instrucciones para completar esta carta linea por linea, favor de ver lado dos de la segunda pagina.**

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## HEAD OF HOUSEHOLD REQUIREMENTS FOR 1997

I. **IF UNMARRIED**, you qualified for the Head of Household filing status if you met **ALL** of the following requirements:

- A. Your marriage was annulled by a court of law; or, on the last day of 1997 you were
- single, or
  - divorced by a final judgment of dissolution, or
  - legally separated by a final decree of separate maintenance. Neither a petition for dissolution of marriage nor an interlocutory decree of divorce is considered a legal separation for tax purposes.

- B. You furnished more than half the cost of keeping up a home which was your principal residence during 1997 and for more than half of 1997 was the main home of a qualifying individual. (See Temporary Absences below.)

Do **NOT** include **ANY** time your child, stepchild, or adopted child was in the physical custody of another person. If you were married at sometime during the year, but by the last day of 1997 were divorced or legally separated (see A. above), include only half of the time during which you, your spouse, and your claimed qualifying individual lived together and include all of the time that you and that individual lived together in your home without your spouse.

- C. A qualifying individual is one of the following:

1. Your **DEPENDENT** child, stepchild, grandchild, brother, sister, parent, stepparent, grandparent, stepbrother, stepsister, son-in-law, daughter-in-law, father-in-law, mother-in-law, brother-in-law, OR sister-in-law, whom you could claim as a dependent; OR your **DEPENDENT** uncle, aunt, nephew, or niece, who is related to you by blood, whom you could claim as a dependent. The qualifying **DEPENDENT** must be related to you.

If any person listed above was considered your dependent because of a multiple support agreement, he or she does not qualify you for the Head of Household filing status.

If your father or mother was an individual whom you could claim as a dependent, and you furnished more than half the cost of keeping up your parent's household for all of 1997, you may qualify for the Head of Household filing status even if he or she did not live with you.

2. Your unmarried child, grandchild, adopted child, or stepchild, even though such child was not your dependent.
3. Your foster child whom you could claim as a dependent. A foster child is a child who lived with you during all of 1997. The child of a person with whom you lived is not your foster child, even if the child lived with you all year.
- OR

II. **IF MARRIED**, you qualified for the Head of Household filing status if you met **ALL** of the following requirements:

- A. You did not live with your spouse at any time during the last six months of 1997. (See Temporary Absences below.)

- B. You furnished more than half the cost of keeping up a home that was your principal residence during 1997 and for more than half of 1997 was the main home of a qualifying individual. (See Temporary Absences below.)

Do **NOT** include **ANY** time your child, stepchild, or adopted child was in the physical custody of another person. Do **NOT** include **ANY** of the time during which you, your spouse, and your claimed qualifying individual lived together.

- C. A qualifying individual is one of the following:

1. Your **DEPENDENT** child, adopted child, or stepchild whom you could claim as a dependent.
2. Your foster child whom you could claim as a dependent. A foster child is a child who lived with you during all of 1997. The child of a person with whom you lived is not your foster child, even if the child lived with you all year.

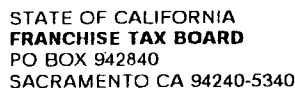
### **TEMPORARY ABSENCES**

Include absences for vacation, sickness, school, or military service in determining the time your spouse, child, or relative actually lived in your home. **DO NOT** include **ANY** time your child was in the physical custody of another person.

### **COST OF KEEPING UP A HOME** which was your principal residence during the 1997 tax year.

The cost of keeping up a home includes items such as rent, property insurance, property taxes, mortgage interest, repairs, utilities, and cost of food consumed in the home. It does not include the personal expenses of anyone in the household or educational expenses. Nor does it include any amount that represents the value of services by the person qualifying the taxpayer for the Head of Household filing status.

For additional assistance, please see side 2 of page 2.



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<b>A</b>	<b>IN 1997 YOUR MARITAL STATUS WAS:</b>  <b>CHECK ONE: (Fill in the dates if required)</b> <input type="checkbox"/> Single, <b>NEVER</b> married prior to 1/1/98. <input type="checkbox"/> Legally married. <b>DID NOT LIVE</b> with your spouse at any time in 1997. <input type="checkbox"/> Legally married and lived with your spouse during <b>1997</b> . Indicate dates you <b>LIVED WITH</b> your spouse during 1997. <div style="margin-left: 40px;"> From <u>      </u> / <u>      </u> / <u>97</u>      To <u>      </u> / <u>      </u> / <u>97</u>  <div style="display: flex; justify-content: space-around; font-size: small;"> <span>MO   DAY   YR</span> <span>MO   DAY   YR</span> </div> </div> <input type="checkbox"/> Divorced or legally separated. <b>DATE</b> of final decree or judgment. <u>      </u> / <u>      </u> / <u>      </u> . If you lived with your spouse during 1997, indicate the dates you <b>LIVED TOGETHER</b> . From <u>      </u> / <u>      </u> / <u>97</u> To <u>      </u> / <u>      </u> / <u>97</u> <div style="display: flex; justify-content: space-around; font-size: small;"> <span>MO   DAY   YR</span> <span>MO   DAY   YR</span> </div> <input type="checkbox"/> Annulled marriage. <b>DATE</b> of final decree or judgment. <u>      </u> / <u>      </u> / <u>      </u> <div style="display: flex; justify-content: space-around; font-size: small;"> <span>MO   DAY   YR</span> </div> <input type="checkbox"/> Widow(er). <b>DATE</b> of your spouse's death. <u>      </u> / <u>      </u> / <u>      </u> <div style="display: flex; justify-content: space-around; font-size: small;"> <span>MO   DAY   YR</span> </div>
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Refer to Page 1, Side 2 (I.C. and II.C.) for the requirements for a qualifying person.

**If you need additional space to list the periods, please attach a separate sheet of paper showing the periods.**

SIDE 1

FTB 4803 C1 MEDREV 9/1998

### **ADDITIONAL ASSISTANCE**

To receive **Head of Household** requirements and line-by-line instructions for completing this Audit Letter (Para recibir los requisitos de cabeza de familia e instrucciones para completar esta carta linea por linea).

From within the United States, call (Dentro de los Estados Unidos, llame).....1-800-555-4005

From outside the United States, call (Fuera de los Estados Unidos, llame) (NOT toll-free)...1-916-845-6600

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To order the **Head of Household FTB Publication 1540**, a detailed explanation of the Head of Household filing status requirements (Para ordenar la Publicacion FTB 1540 tocante el estado civil Cabeza De Familia, una explicacion detallada de los requisitos para declarar impuestos bajo Cabeza de Familia).

From within the United States, call (Dentro de los Estados Unidos, llame).....1-800-338-0505  
and enter code 934

From outside the United States, call (Fuera de los Estados Unidos, llame) (NOT toll-free)...1-916-845-6600  
and enter code 934

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### **TELEPHONE ASSISTANCE**

Our **toll-free telephone service** is available Monday through Friday between 8 a.m. and 5 p.m. From the first working day in January through April 15, telephone service is available Monday through Friday, from 7 a.m. until 8 p.m. The best times to call are between 7 a.m. and 10 a.m. and between 6 p.m. and 8 p.m. Service is also available from 8 a.m. through 5 p.m. on the two Saturdays prior to April 15.

From within the United States, call .....1-800-852-5711

From outside the United States, call (**not** toll-free).....1-916-845-6500

For hearing impaired with TDD, call.....1-800-822-6268

**Internet Site:** <http://www.ftb.ca.gov>

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### **ASISTENCIA BILINGUE EN ESPANOL**

Para servicio en espanol para obtener iformacion sobre impuestos o formularios, llame al numero de telefono (anotado arriba) que le corresponde.

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**Taxpayer information is available as provided by the Information Privacy Act. See form FTB 1131 for more information.**



## Answers to Common Questions Regarding the Head of Household Audit Letter

Taxpayers often have questions about the Head of Household Audit Letter. This form answers the most commonly asked questions. Even if you determine that you do not qualify for the Head of Household Filing Status, be sure to answer and return the Audit Letter within 20 calendar days from the date of the Audit Letter to avoid a penalty for failing to provide the information requested.

**Q: Why does the Franchise Tax Board use the Head of Household Audit Letter?**

A: Individuals often use the Head of Household Filing Status in error because they don't fully understand the requirements. The completed Head of Household Audit Letter is used to verify an individual's correct filing status.

**Q: Why do I receive a Head of Household Audit Letter every year?**

A: You will receive an Audit Letter every year if we denied your Head of Household Filing Status for the previous year or you did not return the previous year's Audit Letter within 20 calendar days from the date of the Audit Letter.

**Q: What if I don't respond to the Head of Household Audit Letter?**

A: If you do not respond to the Audit Letter, we will deny your Head of Household Filing Status and issue you a Notice of Proposed Assessment for additional tax and interest. We will also impose a penalty of 25 percent of the additional tax for your failure to provide the information. Interest on the additional tax amount is calculated from the original due date of your tax return to the date of payment.

**Q: Must I complete all boxes on the Audit Letter?**

A: You must always complete boxes A, and B. You need to complete box C only if someone other than the person listed in box B also lived with you.

**Q: Why do you want to know my marital status?**

A: Your marital status is a factor in determining if the Head of Household Filing Status is correct for you.

**Q: Who is a qualifying individual?**

A: A qualifying individual is a person who qualifies you for the Head of Household Filing Status. (See Sections I.C, and II.C, on page 1, side 2 for specific requirements.) You may not claim yourself, your spouse, or your tax preparer as your qualifying individual.

**Q: I lived with my girlfriend and her child during the year. May I consider the child as my stepchild and claim the Head of Household Filing Status using the child as my qualifying individual?**

A: No. A stepchild is the child of your husband or wife. Because you were never married to the child's parent, the child was not your stepchild, and the child cannot qualify you for the Head of Household Filing Status.

**Q: I lived with another person who has a child who lived with us. May I claim Head of Household using the child as my qualifying individual?**

A: No. Because the child lived with and was cared for by his/her parent, the child cannot qualify you (the non-parent) to use the Head of Household Filing Status. Neither can the child qualify as your foster child, even if the child lived with you all year.

**Q: Can my child qualify both me and my child's other parent for the Head of Household Filing Status?**

A: No. A child can qualify only one parent for the Head of Household Filing Status, and that parent must meet all of the Head of Household requirements. (See page 1, side 2 for additional information.)

**Q: I am divorced. My ex-spouse and I lived apart and equally shared custody of our child, who lived with each of us for 50 percent of the year. Can I claim the Head of Household Filing Status?**

**A: No.** To claim the Head of Household Filing Status, your child must have lived with you for MORE THAN 50 percent of the tax year. However, you may qualify for Credit for Joint Custody Head of Household. See the California Resident Personal Income Tax Booklet, Instructions for Form 540, Additional Credits, Credit for Joint Custody Head of Household - Code 170.

**Q: I am the head of household, married, and I provide the only support for my family. My wife does not work. Can I claim the Head of Household Filing Status?**

**A: No.** To claim the Head of Household Filing Status, you must be unmarried or "considered unmarried." To be "considered unmarried," you cannot have lived with your spouse at any time during the last six months of the year. See FTB Publication 1540 for additional information.

**Q: My husband and I separated during the year. Our son lived with me after we separated. I want to use the Head of Household Filing Status. In figuring the number of days our son lived with me, can I include the time he lived with my husband and me before we separated?**

**A: Whether you can include the time your son lived with your husband and you before you separated depends on your marital status on the last day of the tax year.**

If on the last day of the tax year you and your husband were still married, you may not include any of the time during which you, your husband and your son lived together as time your son lived with you.

But, if by the last day of the tax year you and your husband were:

- legally divorced under a final decree of divorce, or
- legally separated under a final decree of legal separation,

you may include half of the time during which you, your husband, and your son lived together as time your son lived with you.

**Q: I pay more than half of my parent's support, but my parent does not live in the United States. Can my parent qualify me to use the Head of Household Filing Status?**

**A: To qualify you to use the Head of Household Filing Status, your parent must be a United States citizen, resident, or national; or be a resident of Mexico or Canada. You must also meet all the requirements to claim your parent as your dependent and meet all of the other requirements for Head of Household Filing Status. See Tax Information for Head of Household Filing Status (FTB Publication 1540) for additional information.**

A United States national is defined for federal purposes as an individual who, although not a United States citizen, owes his or her allegiance to the United States. United States nationals include American Samoans and Northern Mariana Islanders who chose to become United States nationals instead of United States citizens (Internal Revenue Service Publication 519, U.S. Tax Guide for Aliens).

If you are unsure whether you are a United States national, please contact your local Immigration and Naturalization Service Office.

**Q: What if I now realize that I do not qualify to use the Head of Household Filing Status?**

**A: Complete the Audit Letter, indicate that you believe you do not qualify to use the Head of Household Filing Status, and return the Audit Letter within 20 calendar days from the date of the Audit Letter. When we receive your response, we will review the information you have provided. Then, we will either notify you that you qualify for the Head of Household Filing Status or recalculate your tax and mail you a Notice of Proposed Assessment showing the additional tax and interest. If we do not receive your response within 20 calendar days from the date of the Audit Letter, we will also impose a penalty of 25 percent of the additional tax for your failure to provide the information. Interest on the additional tax amount is calculated from the original due date of your tax return to the date of payment.**

**Q: What should I do if I still have questions?**

**A: Refer to page 1, side 2 for additional information. Page 2, side 2 provides additional sources of assistance. Or, visit our web page: <http://www.ftb.ca.gov>**